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BUSINESS AMERICA REAL ESTATE MONITOR

DECEMBER 1986

Conducted for
Cushman & Wakefield, Inc.
by
Louis Harris and Associates, Inc.

CUSHMAN & WAKEFIELD
A ROCKEFELLER GROUP COMPANY

Business America's Real Estate Firm.

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Business executives know information is the survival imperative. And nowhere is that fact more critical than in today's real estate market. But while the old saying about real estate being a business of "location, location, location," remains true, other factors are clearly at work. Knowledge of these factors and the underlying attitudes of America's business leaders is now clearly crucial for effective real estate decision making.

Historical market data, often developed through painstaking effort and attention to detail, are a credit to the professionalism of the industry and to the many fine brokerage firms throughout the country. Yet, until the Cushman & Wakefield Business America Real Estate Monitor was created, the perceptions, thoughts and future plans of chief executive officers and their real estate professionals were unknown.

Cushman & Wakefield asked Louis Harris and Associates to question these decision-making trendsetters about their attitudes, opinions and plans about different American cities, the real estate market and decision making. As a foundation to the report, Harris also examined the executives' expectations of their firms' own use of real estate, the outlook for their industry and company, and for the economy in general.

I am pleased to offer you the first in a continuing series of quarterly Cushman & Wakefield Business America Real Estate Monitor studies.

Your comments are welcome.

THE CUSHMAN & WAKEFIELD
BUSINESS AMERICA REAL ESTATE MONITOR

The First of Four Quarterly Surveys

Interviewing: October 1986

Conducted for Cushman & Wakefield

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ABOUT THE MONITOR

The Cushman & Wakefield Business America Real Estate Monitor is a quarterly report on the market for commercial and industrial real estate as seen by the executives of leading U.S. corporations. The Monitor is conducted for Cushman & Wakefield by Louis Harris and Associates, the opinion research organization, and is based on surveys of executives in leading companies which, taken together, provide a representative sample of Business America.

The Monitor is designed to track:

- Executives' views of which areas are "hot" for office and for manufacturing, warehouse, and distribution locations, and which are not;
- Actual location and space expansion plans for the next year;
- Factors affecting decisions to acquire space.

For this first Monitor survey, the Harris organization interviewed 400 chief executive officers and 201 senior corporate real estate executives at companies across the nation with revenues of $100 million or more. Fieldwork began on October 8, 1986, a week and a half after the Tax Reform Bill was passed by the Senate, and ended on October 29. Interviews were conducted by telephone and lasted an average of 15 minutes each.

Percentages in the tables may not always add to 100% because of rounding or the acceptance of multiple responses.

HIGHLIGHTS FROM THE SURVEY FINDINGS

"Hot" Locations

Atlanta leads as a business location today, but a comeback for Texas may be in the offing.

The South Rises Again: The Atlanta area wins hands down when CEOs and real estate executives of top corporations nationwide are asked to rate each of twelve typical business centers as a place to locate a business today, as a place where business conditions are expected to improve in the next year, and as one or two of the most appealing areas on nine specific criteria for selecting office and industrial locations:

- Atlanta tops the list when CEOs and real estate executives are asked to rate each of twelve locations, in terms of general business conditions, "as a place to locate a business today." About two-thirds of the CEOs and real estate executives rate the area "excellent" or "very good." The runner-up, Boston, takes a distant second place with a little over half of the CEOs and real estate executives giving it positive marks. Houston and Miami come in last. Other areas on the list of twelve tested: San Francisco, Los Angeles, Seattle, Chicago, Washington, D.C., New York, Dallas, St. Louis.

- Atlanta also tops the list of areas expected to improve in the next twelve months; 31% of CEOs and 40% of the corporate real estate executives expect conditions there to get even better.

- Atlanta outshines all other areas tested in being considered one of the most appealing places to locate a business on nine specific location criteria -- three on office locations and six on manufacturing, warehouse, and distribution facility locations. On none of these criteria does Atlanta rank lower than second place. Atlanta not only takes first place, but enjoys a particularly wide lead over the runner-up, on: the cost and availability of office labor; the quality of life for office employees; and the quality of life for manufacturing, warehouse, and distribution employees.

Reports of the Death of Texas Have Been Exaggerated: Although Houston ranks below all other areas tested as a place to locate a business today and Dallas ranks well down on the list, the state does have a future, in the opinion of Business America:

- Houston and Dallas rank nearly as well as Atlanta on the list of locations where business conditions are expected to improve in the next twelve months.

- Part of the reason for these bullish expectations for Houston and Dallas may be found in their relatively high rankings on key decision making criteria. Houston is strong on the cost and availability of labor, both for offices and for manufacturing, warehouse, and distribution facilities, on the climate state and local government creates for business, and on the availability of existing fully-serviced sites. Dallas is strong on the climate government creates for business, the availability of fully-serviced sites, the quality of life for manufacturing, warehouse, and distribution workers, and the cost and availability of office employees.

Location Plans

To own or to lease? Business America is undecided on office space, but clearly leans toward owning manufacturing, warehouse, and distribution facilities.

- Larger companies, with revenues of $500 million and over, are more inclined toward leasing.

- Large majorities of CEOs and real estate executives say their real estate decisions are usually based on operational factors rather than on a concern with the investment potential of the property.

Expansion in the next twelve months: Real estate executives report moderate expectations of expansion for both office and manufacturing, warehouse, and distribution facilities in the next year:

- Over one-third of all real estate executives expect the total square footage of their office space to be somewhat greater in twelve months than it is today, while over half say it will be about the same. Only 9% say it will be less.

-- 31% of all real estate executives plan to lease new office space, 23% plan to build new space, 21% plan to renovate space for offices, and 17% plan to purchase new space. Not surprisingly given their preferences on owning vs. leasing, executives in the larger companies are much more likely than those in the smaller ones to plan to lease new space.

-- Types of office space planned in rank order by number of mentions: branch offices, head offices, sales offices, back-office operations or processing centers.

-- Top locations for planned office facilities, in rank order by number of mentions: New York, Los Angeles, Chicago, Philadelphia, Atlanta, Hartford, Tampa/St. Petersburg.

o Over two out of five real estate executives in companies with wholesale, retail, and manufacturing operations expect the square footage of their manufacturing, warehouse, and distribution space to expand, while about the same number say it will remain the same. Only 9% expect it to decrease.

-- Of those in wholesale, retail, and manufacturing companies, 29% plan to build new manufacturing, warehouse, or distribution space, 25% plan to lease new space, 14% plan to renovate space, and 14% plan to buy new space in the next year. Again, larger companies seem to be more inclined than smaller ones to lease.

-- Types of facilities planned, in rank order by number of mentions: distribution centers, warehouses, processing plants, assembly plants.

-- Top locations for planned manufacturing, warehouse, and distribution facilities, in rank order by number of mentions: Los Angeles, Atlanta, New York, Dallas/Fort Worth.

Factors Affecting Decisions To Acquire Space

Despite a moderate pessimism about the economy, CEOs are bullish about their own industries and companies.

As for the economy:

o 41% expect the rate of inflation to be higher in twelve months, 57% expect it to stay the same, only 2% say it will go down.

- 53% expect long-term interest rates to go up, 37% say they will remain at the same level, and 10% expect them to go down.

- 54% say wage rates will be up a year from now, 44% say they'll be the same, only 1% predict they'll go down.

However, while economic indicators and national policy do play a role in space decision making for many CEOs, these factors are not nearly as important as the condition of the industry and the company's own prospects for success:

- Majorities of CEOs say their "company's outlook for profits and losses" and "the market for [their] company's products or services" are "crucial" in the decision making on acquiring new space for the company. Considered crucial by far fewer CEOs are federal government regulations, interest rates, national tax policy, the inflation rate, and the value of the dollar.

Given their somewhat pessimistic outlook for the economy in general, CEOs' predictions for their industry in twelve months are definitely upbeat:

- One-third think market conditions will improve while half predict things will stay about the same. Only 15% fear that market conditions in their industry will worsen.

- In line with their expectations for the inflation rate, 45% of CEOs predict that price levels in their industry will be higher twelve months from now, 43% expect prices to stay the same, and 9% predict price levels will come down.

Their expectations for their own companies are also somewhat optimistic:

- Half of the CEOs predict that their companies' capital expenditures will increase over the next twelve months, while 36% say they'll stay the same and only 13% expect a decrease.

- 40% of CEOs in wholesale, retail, and manufacturing companies expect their companies' inventories to increase in the next year, 39% expect them to stay the same, and only 16% predict a decline in inventory.

- 45% of CEOs expect the number of office workers in their organizations to increase in the next twelve months, 43% expect the number to remain the same as it is now, and only 12% expect it to decrease.

- 44% of CEOs in wholesale, retail, and manufacturing companies expect the number of industrial, warehouse, and distribution facility employees to increase, 44% expect the number of those employees to stay the same, and only 7% anticipate a decrease.

Top executives of Business America's leading organizations may be somewhat sour on the economy for the next year, but when they focus in on the prospects for their own industries and their own companies, they are much more optimistic. It is these prospects, and not the economic indicators, that influence their decision making on acquiring new space. With half of Business America (according to their real estate executives) planning to lease, build, renovate, or purchase office space or industrial space in the next year, and with sizable proportions anticipating net increases in total office and industrial square footage, this mood may translate into a sizable expansion of the real estate market.

1: BUSINESS AMERICA PICKS THE BEST LOCATIONS TODAY

"Hot" Locations: Best Places to Locate a Business Today

The Atlanta area wins hands down when the CEOs and real estate executives surveyed are asked to rate each of twelve selected areas "as a place to locate a business today." The survey tested a blend of twelve areas reflecting a variety of economic settings in the United States: the Atlanta, Boston, Chicago, Dallas, Houston, Los Angeles, Miami, New York, St. Louis, San Francisco, Seattle, and Washington, D.C., areas. About two-thirds of the CEOs (67%) and the real estate executives (64%) rate Atlanta "excellent" or "very good" (Table 1-1). The Boston area takes a distant second place, with 54% of CEOs and 51% of real estate executives giving it positive marks. At the bottom of the list are Houston, with only 20% of CEOs and 24% of real estate executives rating it "excellent" or "very good," and Miami, with 24% of CEOs and 19% of real estate executives viewing it positively.

CEOs and real estate executives generally are in concurrence on these ratings. And although there are insignificant differences in the ratings by size of company, executives in larger and smaller companies alike give Atlanta the highest scores (Table 1-2).

Q.CEO-3a; REE-2a

Table 1-1

"HOT" LOCATIONS: THE BEST PLACES TO LOCATE A BUSINESS TODAY

Q.: Now I'd like to ask you about the attractiveness of several specific locations across the country. In terms of general business conditions as they relate to companies such as yours, how would you rate the (READ EACH ITEM) area as a place to locate a business today -- excellent, very good, only fair, or poor?

	"Excellent" or "Very Good"	
	CEOs	Real Estate Executives
Base	400	201
	%	%
Atlanta	67	64
Boston	54	51
San Francisco	52	49
Los Angeles	47	50
Seattle	46	43
Chicago	46	50
Washington, D.C.	44	33
New York	39	45
Dallas	35	41
St. Louis	33	28
Miami	24	19
Houston	20	24

Q.CEO-3a; REE-2a

Table 1-2

"HOT" LOCATIONS: BEST PLACES TO LOCATE A BUSINESS TODAY: BY REVENUE SIZE

Q.: Now I'd like to ask you about the attractiveness of several specific locations across the country. In terms of general business conditions as they relate to companies such as yours, how would you rate the (READ EACH ITEM) area as a place to locate a business today -- excellent, very good, only fair, or poor?

	"Excellent" or "Very Good"					
	CEOs			Real Estate Executives		
	Total	$100-$499 Million	$500 Million and Over	Total	$100-$499 Million	$500 Million and Over
Base	400	201	199	201	100	101
	%	%	%	%	%	%
Atlanta	67	66	69	64	64	63
Boston	54	51	62	51	53	44
San Francisco	52	52	53	49	48	51
Los Angeles	47	45	54	50	49	53
Seattle	46	44	54	43	41	48
Chicago	46	44	50	50	52	43
Washington, D.C.	44	44	44	33	32	38
New York	39	38	42	45	46	41
Dallas	35	34	38	41	41	42
St. Louis	33	33	31	28	27	32
Miami	24	22	31	19	20	17
Houston	20	19	21	24	25	23

Locations Where Business Conditions Will Improve

Atlanta again heads the list when CEOs and real estate executives are asked whether they expect business conditions in each of the twelve areas "to get better, get worse, or stay about the same in the next twelve months." Thirty-one percent of the CEOs and 40% of the real estate executives expect conditions in the Atlanta area will get better (Table 1-3).

But while Houston, along with Miami, gets the worst marks as a place to do business today, it ranks high on the list as an area where business conditions are expected to improve in the next year (27% of CEOs, 28% of real estate executives). The Dallas area gets much the same prognosis as Houston (26% of CEOs and 28% of real estate executives say conditions there will get better). But not many CEOs or real estate executives expect to see improvement in Miami, and according to their predictions, St. Louis, New York, and Washington won't fare better.

Observation:

According to Business America, Atlanta is still running ahead of the pack as a place to locate a business, and it's expected to get better. Its role as the business center of the Southeast may give it a special magic that other cities on the list don't have.

The other big story is that reports of the death of Texas have been exaggerated. According to executives of top corporations across America, Houston and Dallas do indeed have a future -- although Houston rates poorly as a place to locate a business today, and along with Miami and Dallas is one of the three places on the list that any appreciable number of CEOs or real estate executives expect to get worse in the next year.

Q.CEO-3b; REE-2b

Table 1-3

AREAS WHERE BUSINESS WILL GET BETTER IN NEXT TWELVE MONTHS

Q.: And if you had to say, do you think general business conditions there will get better, get worse, or stay about the same in the next twelve months?

Base	CEOs 400				Real Estate Executives 201			
	Get Better	Get Worse	Stay The Same	Not Sure/ Refused	Get Better	Get Worse	Stay The Same	Not Sure/ Refused
Atlanta	31	3	49	16	40	4	35	20
Houston	27	15	43	15	28	20	34	17
Dallas	26	11	46	17	28	9	47	16
Boston	25	4	51	20	30	4	45	21
Chicago	20	3	60	17	22	4	55	20
San Francisco	19	4	56	21	23	1	52	23
Seattle	18	2	50	30	22	1	47	30
Los Angeles	18	4	58	21	30	5	47	17
Washington, D.C.	17	6	59	18	16	6	56	21
New York	16	6	62	16	22	8	53	16
St. Louis	16	6	52	26	18	4	49	29
Miami	12	10	54	23	19	12	43	26

How Business America Decides Where to Locate

To set the stage for more detailed evaluations of the twelve areas under scrutiny, CEOs and real estate executives were asked to rate the importance of nine factors in decisions to locate facilities. Three of these factors, relating to office facilities, were considered by all CEOs and real estate executives interviewed in the survey. Nine other factors, relating to manufacturing, warehouse, and distribution facilities, were asked only of the executives in each group who reported that their company is involved in wholesale, retail, or manufacturing operations.

"Proximity to markets, customers, or clients" is judged by both CEOs and real estate executives to be the most important of the three factors having to do with decisions to locate office facilities. Thirty-four percent of CEOs and 36% of real estate executives deem this factor "absolutely essential" to companies such as theirs (Table 1-4). "The cost and availablity of labor in the area" is next in importance as a factor, rated "absolutely essential" for office locations by 27% of CEOs and 28% of real estate executives. Following last, "the quality of life for employees, such as the availability of housing, transportation, and recreational facilities," is considered essential when making decisions about office locations by 21% of both CEOs and real estate executives. Larger corporations seem to place less emphasis than smaller ones do on the cost and availability of labor when deciding on office locations (Table 1-5).

"Proximity to markets, customers, or clients" again heads the list of factors considered "absolutely essential" in making decisions on manufacturing, warehouse, and distribution facility locations, with 35% of CEOs and 44% of real estate executives giving this evaluation. Just about as important for CEOs is "the climate state and local government creates for business through tax

policy, the extent of regulation, and so forth (34%). For real estate executives, this factor ranks third in importance, after "the cost and availability of labor in the area (43%). Following, with slight differences in ranking between the two groups of executives, are "proximity to raw materials," "the availability of existing fully-serviced sites," and lastly "the quality of life for employees, such as the availability of housing, transportation, and recreational facilities" (Table 1-6).

The findings suggest that the business climate created by state and local government, the cost and availability of labor in the area, and the quality of life for employees may be of slightly less concern to larger corporations than to smaller ones (Table 1-7).

It is worth noting that real estate executives consider the proximity of markets and the cost and availability of labor to be more important for manufacturing, warehouse, and distribution center locations than for office locations, and that both CEOs and real estate executives are more concerned about the quality of life for their office employees than for their manufacturing, warehouse, and distribution center employees (Table 1-8).

Observation:

In terms of what's considered "absolutely essential," both CEOs and real estate executives put the quality of life for employees at the bottom of list, a quantum drop from the big issues: proximity to markets, the climate government creates for business, and the cost and availability of labor. It will be interesting to see whether this quality-of-life item changes in importance over the next year or so, as Business America becomes increasingly automated, service-oriented, and information-intensive and companies vie for highly-trained technical workers.

Q.CEO-2a; REE-1a

Table 1-4

ESSENTIAL FACTORS IN DECISIONS TO LOCATE OFFICE FACILITIES

Q.: Now I'd like to discuss some of the factors corporations may consider when deciding where to locate their facilities. In thinking about locations for office facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

	"Absolutely Essential"	
	CEOs	Real Estate Executives
Base	400	201
	%	%
Proximity to markets, customers or clients	34	36
The cost and availability of labor in the area	27	28
The quality of life for employees, such as the availability of housing, transportation, and recreation facilities	21	21

Q.CEO-2a; REE-1a

Table 1-5

ESSENTIAL FACTORS IN DECISIONS TO LOCATE OFFICE FACILITIES:
BY REVENUE SIZE

Q.: Now I'd like to discuss some of the factors corporations may consider when deciding where to locate their facilities. In thinking about locations for office facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

	"Absolutely Essential"					
	CEOs			Real Estate Executives		
	Total	$100-$499 Million	$500 Million and Over	Total	$100-$499 Million	$500 Million and Over
Base	400	201	199	201	100	101
	%	%	%	%	%	%
Proximity to markets, customers, or clients	34	33	37	36	35	41
The cost and availability of labor in the area	27	30	18	28	31	19
The quality of life for employees, such as the availability of housing, transportation, and recreational facilities	21	23	15	21	20	25

Q.CEO-2b; REE-1b

Table 1-6

ESSENTIAL FACTORS IN DECISIONS TO LOCATE MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES

Base: Wholesale, retail, and manufacturing companies

Q.: And, in thinking about locations for manufacturing, warehouse, or distribution facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

	"Absolutely Essential"	
	CEOs	Real Estate Executives
Base	189	121
	%	%
Proximity to markets, customers, or clients	35	44
The climate state and local government creates for business through tax policy, the extent of regulation, and so forth	34	36
The cost and availability of labor in the area	30	43
Proximity to raw materials	18	19
The availability of existing fully-serviced sites	17	20
The quality of life for employees, such as the availability of housing, transportation, and recreational facilities	9	14

Q.CEO-2b; REE-1b

Table 1-7

ESSENTIAL FACTORS IN DECISIONS TO LOCATE MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: BY REVENUE SIZE

Base: Wholesale, retail, and manufacturing companies

Q.: And, in thinking about locations for manufacturing, warehouse, or distribution facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

	"Absolutely Essential"					
	CEOs			Real Estate Executives		
	Total	$100-$499 Million	$500 Million and Over	Total	$100-$499 Million	$500 Million and Over
Base	189	89	100	121	71	50
	%	%	%	%	%	%
Proximity to markets, customers, or clients	35	34	37	44	44	44
The climate state and local government creates for business through tax policy, the extent of regulation, and so forth	34	37	28	36	37	34
The cost and availability of labor in the area	30	31	28	43	45	34
Proximity to raw materials	18	18	17	19	20	18
The availability of existing fully-serviced sites	17	20	9	20	20	22
The quality of life for employees, such as the availability of housing, transportation, and recreational facilities	9	11	6	14	14	12

Q.CEO-2a, 2b; REE-1a, 1b

Table 1-8

COMPARISON: ESSENTIAL FACTORS IN DECISIONS TO LOCATE

Q: Now I'd like to discuss some of the factors corporations may consider when deciding where to locate their facilities. In thinking about locations for office facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

Q.: And, in thinking about locations for manufacturing, warehouse, or distribution facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

	"Absolutely Essential"			
	Office (Total)		Manufacturing, Warehouse, Distribution (Wholesale, retail, and manufacturing companies)	
	CEOs	Real Estate Executives	CEOs	Real Estate Executives
Base	400	201	189	121
	%	%	%	%
Proximity to markets, customers, or clients	34	36	35	44
The cost and availability of labor in the area	27	28	30	43
The quality of life for employees	21	21	9	14

Most Appealing Areas on Specific Factors

CEOs and real estate executives who said each of the nine factors was "absolutely essential" or "important but not essential" were asked which two or three of the twelve areas tested are most appealing in terms of that factor. CEOs and real estate executives in all industries responded on the three office facilities items, but again only executives in wholesale, retail, and manufacturing companies were asked to name the best areas for the six factors related to manufacturing, warehouse, and distribution facilities.

For office facilities, as has been seen, "proximity to markets, customers, and clients" ranks first as an "absolutely essential" factor. As shown in Table 1-9, Atlanta takes a narrow lead, virtually a tie, on this item among CEOs, while Chicago moves to the top, again nearly a tie, among real estate executives. New York and Los Angeles also rank high on this list, while Houston, Washington, Miami, and Seattle don't do well at all (Table 1-9).

On "the cost and availability of labor," which ranks second as an "absolutely essential" criterion for office locations, Atlanta takes a wide lead and is followed distantly by Houston and Dallas. New York, Boston, and Miami are not seen as appealing on this item, and San Francisco, Los Angeles, and Washington come in last (Table 1-10).

"The quality of life for employees" is seen as the least essential factor for locating office facilities; Atlanta is unassailably in first place, followed by Seattle, Dallas, and San Francisco; Washington and Miami again do poorly on this criterion (Table 1-11).

On "proximity to markets," the factor most often considered essential for locating manufacturing, warehouse, or distribution facilities, Chicago is virtually tied with Atlanta among CEOs but takes the lead over Atlanta among real estate executives. New York and Los Angeles are also well regarded on this

item, but Houston and Seattle are not known for their proximity to industrial and distribution markets, and Washington and Miami appear at the bottom of the list (Table 1-12).

"The climate state and local government creates for business -- the second-most important manufacturing, warehouse, and distribution facilities criterion among CEOs and the third among real estate executives -- is seen as best in Atlanta by the former and as (marginally) best in Dallas by the latter, but in either order, Atlanta and Dallas take the lead. According to these executives, the government policies in Miami, San Francisco, and Washington are most inhospitable to business (Table 1-13)."

On "the cost and availability of labor" for manufacturing, warehouse, and distribution facilities, which is second in importance to real estate executives and third in importance to CEOs, Atlanta takes a very close lead over Houston, with Dallas coming in not far behind. Los Angeles, San Francisco, and Washington are at the bottom of the list (Table 1-14).

Chicago rises to the top of the list of areas considered most appealing on "proximity to raw materials." Atlanta and Dallas (and St. Louis, according to real estate executives) follow. Washington and Miami are seen as the worst locations for proximity to raw materials (real estate executives don't think much of Seattle, San Francisco, and Boston, either) (Table 1-15).

Atlanta leads on "the availability of existing fully-serviced sites," followed (very closely, among CEOs) by Dallas and Houston. Miami and Washington come in last (Table 1-16).

Atlanta is unquestionably the leader on "the quality of life for employees" of manufacturing, warehouse, or distribution facilities, with Dallas a distant runner-up and Seattle and San Francisco not far behind Dallas. Miami and Washington are at the bottom of the list on this criterion (Table 1-17).

Q.CEO-4a; REE-3a

Table 1-9

MOST APPEALING AREAS FOR LOCATING OFFICE FACILITIES:
PROXIMITY TO MARKETS, CUSTOMERS, OR CLIENTS

Base: Consider proximity to markets, customers, or clients "absolutely essential" or "important but not essential"

Q.: I'd like you to continue to keep in mind the twelve specific locations we've been talking about -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, and Los Angeles. Now I'm going to read you a few of the factors for locating office facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for office facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	285	158
	%	%
Atlanta	33	36
New York	31	27
Chicago	28	39
Los Angeles	23	22
Boston	16	14
Dallas	16	19
San Francisco	15	9
St. Louis	12	15
Houston	9	6
Washington, D.C.	7	13
Miami	5	5
Seattle	4	5
Other	2	5
Not sure/refused	9	11

Q.CEO-4a; REE-3a

Table 1-10

MOST APPEALING AREAS FOR LOCATING OFFICE FACILITIES:
COST AND AVAILABILITY OF LABOR

Base: Consider cost and availability of labor "absolutely essential" or "important but not essential"

Q.: I'd like you to continue to keep in mind the twelve specific locations we've been talking about -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, and Los Angeles. Now I'm going to read you a few of the factors for locating office facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for office facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	283	150
	%	%
Atlanta	44	44
Houston	30	34
Dallas	30	29
St. Louis	18	14
Chicago	15	15
Seattle	13	17
New York	9	8
Boston	9	8
Miami	8	13
San Francisco	5	4
Los Angeles	5	11
Washington, D.C.	2	4
Other	1	2
Not sure/refused	13	17

Q.CEO-4a; REE-3a

Table 1-11

MOST APPEALING AREAS FOR LOCATING OFFICE FACILITIES:
THE QUALITY OF LIFE FOR EMPLOYEES

Base: Consider the quality of life for employees "absolutely essential" or "important but not essential"

Q.: I'd like you to continue to keep in mind the twelve specific locations we've been talking about -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, and Los Angeles. Now I'm going to read you a few of the factors for locating office facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for office facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	334	165
	%	%
Atlanta	50	40
Seattle	25	28
Dallas	24	23
San Francisco	22	28
Boston	21	21
Chicago	13	16
Houston	13	13
New York	11	10
St. Louis	10	7
Los Angeles	9	12
Washington, D.C.	6	6
Miami	4	8
Other	2	5
Not sure/refused	8	10

Q.CEO-4b; REE-3b

Table 1-12

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: PROXIMITY TO MARKETS, CUSTOMERS, OR CLIENTS

Base: Wholesale, retail, and manufacturing companies/consider proximity to markets, customers, or clients "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	148	93
	%	%
Chicago	32	43
Atlanta	31	34
New York	27	23
Los Angeles	24	22
San Francisco	17	7
St. Louis	16	18
Dallas	16	22
Boston	13	14
Houston	9	9
Seattle	7	*
Washington, D.C.	3	10
Miami	3	2
Other	1	3
Not sure/refused	13	14

*Less than 0.5%.

Q.CEO-4b; REE-3b

Table 1-13

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: THE CLIMATE STATE AND LOCAL GOVERNMENT CREATES FOR BUSINESS

Base: Wholesale, retail, and manufacturing companies/consider the climate state and local government creates for business "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	150	93
	%	%
Atlanta	42	34
Dallas	34	39
Houston	32	28
St. Louis	14	12
Seattle	11	10
Chicago	9	8
New York	8	6
Los Angeles	7	7
Boston	6	7
Miami	4	9
San Francisco	4	4
Washington, D.C.	*	-
Other	3	3
Not sure/refused	15	30

*Less than 0.5%.

Q.CEO-4b; REE-3b

Table 1-14

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: COST AND AVAILABILITY OF LABOR

Base: Wholesale, retail, and manufacturing companies/consider cost and availability of labor "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	142	93
	%	%
Atlanta	39	46
Houston	35	41
Dallas	29	34
St. Louis	19	20
Chicago	15	12
New York	11	3
Seattle	9	14
Boston	6	3
Miami	6	11
Los Angeles	5	6
San Francisco	3	2
Washington, D.C.	1	2
Other	2	3
Not sure/refused	13	17

Q.CEO-4b; REE-3b

Table 1-15

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: PROXIMITY TO RAW MATERIALS

Base: Wholesale, retail, and manufacturing companies/consider proximity to raw materials "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	95	62
	%	%
Chicago	25	41
Atlanta	24	31
Dallas	20	24
New York	15	18
St. Louis	15	26
Los Angeles	13	8
Houston	12	17
Seattle	11	5
San Francisco	9	5
Boston	7	5
Washington, D.C.	5	5
Miami	2	5
Other	2	5
Not sure/refused	15	12

Q.CEO-4b; REE-3b

Table 1-16

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: THE AVAILABILITY OF EXISTING FULLY-SERVICED SITES

Base: Wholesale, retail, and manufacturing companies/consider the availability of existing fully-serviced sites "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	115	77
	%	%
Atlanta	29	37
Dallas	28	24
Houston	24	20
New York	17	10
Chicago	17	20
St. Louis	14	12
Los Angeles	14	11
Boston	7	6
San Francisco	5	5
Seattle	4	4
Washington, D.C.	1	-
Miami	1	4
Other	*	2
Not sure/refused	21	34

*Less than 0.5%.

Q.CEO-4b; REE-3b

Table 1-17

MOST APPEALING AREAS FOR LOCATING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION FACILITIES: THE QUALITY OF LIFE FOR EMPLOYEES

Base: Wholesale, retail, and manufacturing companies/consider the quality of life for employees "absolutely essential" or "important but not essential"

Q.: Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles?

	CEOs	Real Estate Executives
Base	139	86
	%	%
Atlanta	45	46
Dallas	22	28
Seattle	18	25
San Francisco	18	21
Chicago	14	10
St. Louis	14	8
Houston	14	17
Boston	12	14
Los Angeles	12	16
New York	9	9
Miami	3	8
Washington, D.C.	2	3
Other	3	1
Not sure/refused	13	15

Area Profiles

Table 1-18 summarizes the results of these specific evaluations by showing the average ranking on all factors for each of the twelve locations tested.

With an average ranking of 1.2 among CEOs and 1.4 among real estate executives, Atlanta wins handily as an appealing location on the specific criteria, a finding that explains that area's unassailable top ranking as a place to locate a business today. Atlanta takes first place on seven out of the nine factors among CEOs and on five out of the nine among real estate executives. On no item does it rank lower than second place among either group of executives. It enjoys a wide lead, and thus shows the greatest margin of excellence, over competing areas on:

-- The cost and availability of office labor;

-- The quality of life for office employees;

-- The quality of life for manufacturing, warehouse, and distribution employees.

With an average ranking of 3.1 among both CEOs and real estate executives, Dallas fares surprisingly better on these specific ratings than it does as a place to locate a business today. However, its high rankings on some of these criteria confirm the optimism that CEOs and real estate executives express about the area's prospects for improvement in the next year. Dallas's particular strengths are perceived to be:

-- The climate state and local government creates for business;

-- The availability of existing fully-serviced sites;

-- The quality of life for manufacturing, warehouse, and distribution employees;

-- The cost and availability of office labor.

The Chicago area has an average ranking of 4.0 among CEOs and 4.2 among real estate executives. It takes first place among both groups of executives on two key manufacturing/warehouse/distribution facilities criteria:

-- Proximity to markets:

-- Proximity to raw materials.

The area also ranks well on:

-- Proximity to markets, customers, or clients for office facilities;

-- The availability of existing fully-serviced sites.

Chicago gets middling to fair ratings on all other criteria, falling as low as eighth position (among real estate executives) on the quality of life for manufacturing, warehouse, and distribution employees.

With a 5.3 and 5.2 average ranking among CEOs and real estate executives, respectively, the Houston area holds second position for both groups on:

-- The cost and availability of office labor and of manufacturing, warehouse, and distribution labor.

It is ranks third among both groups on:

-- The climate state and local government creates;

-- The availability of existing fully-serviced sites.

St. Louis ranks in the middle of the pack, with an average of 5.6 among CEOs and 6.1 among real estate executives. The area is relatively good on:

-- The cost and availability of labor for both office facilities and manufacturing, warehouse, and distribution facilities.

-- Proximity to raw materials;

-- The climate government creates.

St. Louis's weakest area seems to be:

-- Quality of life for employees, both office and manufacturing, warehouse, or distribution.

The New York area gets middling to fair rankings on these criteria, with an average rank of 5.7 among CEOs and 7.1 among real estate executives. The area's strengths are:

-- Proximity to markets;

-- Proximity to raw materials.

Its weaknesses:

-- Quality of life for employees;

-- Government climate;

-- Cost of labor.

Seattle garners an average ranking of 7.0 among CEOs and 6.6 among real estate executives. It's seen as quite good on:

-- The quality of life for both office and manufacturing, warehouse, and distribution workers.

The area's major weaknesses are seen as:

-- Proximity to markets;

-- Availability of existing fully-serviced sites.

Los Angeles has an average ranking of 7.3 among CEOs and 6.6 among real estate executives. Its highest scores, although no higher than fourth place, are on:

-- Proximity to markets, customers, or clients for both office facilities and manufacturing, warehouse, and distribution facilities.

It is comparatively weak on:

-- The cost and availability of both office and manufacturing, warehouse, and distribution labor;

-- The quality of life for office workers.

Boston's average ranking is an only-fair 7.6 among both CEOs and real estate executives. Its does best, although no better than fifth rank, on:

-- The quality of life for office employees;

-- Proximity to markets, customers, or clients for office facilities.

Boston gets middling to low rankings on all of the other criteria.

The San Francisco area also shows a mediocre average ranking of 7.6 among CEOs and 8.3 among real estate executives. It does relatively well, however, on:

-- The quality of life for employees, both office and manufacturing, warehouse, and distribution.

Its greatest weaknesses are:

-- The cost and availability of labor, both office and manufacturing, warehouse, and distribution;

-- The climate created by government.

Miami's average ranking of 10.6 among CEOs and 8.9 among real estate executives is not enviable. It does most poorly, sometimes ranking last, on:

-- The quality of life for both office and manufacturing, warehouse, and distribution employees;

-- Proximity to markets, customers, or clients for both office and manufacturing, warehouse, or distribution facilities;

-- The availability of fully-serviced sites;

-- Proximity to raw materials.

The only items on which it receives a single-digit rank among both groups of executives are:

-- The cost and availability of labor, for office facilities and for manufacturing, warehouse, and distribution facilities.

Washington receives the lowest average ranking -- 11.3 among CEOs and 10.4 among real estate executives. It's on the bottom or the next-to-bottom rung for both CEOs and real estate executives on six of the nine items, and for two more among the CEOs alone. Very relatively speaking, the area's best rating is on:

-- Proximity to markets, customers, or clients for office facilities.

In addition, among real estate executives, the area is ranked somewhat higher than rock-bottom on:

-- Proximity to markets for manufacturing, warehouse, or distribution facilities;

-- Proximity to raw materials.

Q.CEO-4a, 4b; REE-3a, 3b

Table 1-18

ESSENTIAL FACTORS IN DECISIONS TO LOCATE:
AVERAGE RANKINGS

	Total*		Three Office Factors		Six Manufacturing, Warehouse, Distribution Factors	
	CEOs #	Real Estate Executives #	CEOs #	Real Estate Executives #	CEOs #	Real Estate Executives #
Atlanta	1.2	1.4	1.0	1.3	1.3	1.5
Dallas	3.1	3.1	3.3	4.0	3.0	2.7
Chicago	4.0	4.2	4.7	4.0	3.7	4.3
Houston	5.3	5.2	5.7	6.3	5.2	4.7
St. Louis	5.6	6.1	7.0	7.7	4.8	5.3
New York	5.7	7.1	5.7	7.0	5.7	7.2
Seattle	7.0	6.6	6.7	5.7	7.2	7.2
Los Angeles	7.3	6.6	8.0	6.7	7.0	6.5
Boston	7.6	7.6	5.7	7.0	8.5	7.8
San Francisco	7.6	8.3	7.0	7.3	7.8	8.8
Miami	10.6	8.9	10.7	9.3	10.5	8.7
Washington	11.3	10.4	11.0	10.3	11.5	10.5

*Averages for office and industrial factors may not add exactly to totals because of rounding.

2: LOCATION PLANS AND INTENTIONS

Preferences for Owning and Leasing

CEOs and real estate executives both split about evenly no whether they prefer owning or leasing for office space (Table 2-1). Smaller companies with revenues of between $100 million and $500 million, are slightly more inclined toward ownership of office space, while larger companies with $500 million or over in revenues show a preference for leasing.

For manufacturing, warehouse, and distribution space, the situation is altogether different. Among those in wholesale, retail, and manufacturing companies, majorities of both CEOs and real estate executives would rather own their facilities (Table 2-2), although CEOs in the larger companies are somewhat more likely than those in smaller ones to favor leasing.

As a footnote to the leasing vs. owning debate, large majorities of both the CEOs and the real estate executives say their real estate decisions are usually based on operational factors rather than on a concern with the investment potential of the property (Table 2-3).

Q.CEO-6b; REE-5f

Table 2-1

PREFERENCE FOR OWNING OR LEASING OFFICE SPACE

Q.: And, if you had to say, which do you prefer for office space -- leasing or owning?

	CEOs			Real Estate Executives		
	Total	$100-$499 Million	$500-Million and Over	Total	$100-$499 Million	$500 Million and Over
Base	400	201	199	201	100	101
	%	%	%	%	%	%
Owning	47	50	36	49	52	41
Leasing	44	41	55	46	45	50
Depends	7	7	9	4	3	7
Not sure/refused	1	1	1	1	-	3

Q.CEO-7b; REE-6f

Table 2-2

PREFERENCE FOR OWNING OR LEASING MANUFACTURING, WAREHOUSE, OR DISTRIBUTION SPACE

Base: Wholesale, retail, and manufacturing companies

Q.: And, if you had to say, which do you prefer for manufacturing, warehouse, or distribution space -- leasing or owning?

	CEOs			Real Estate Executives		
	Total	$100-$499 Million	$500-Million and Over	Total	$100-$499 Million	$500 Million and Over
Base	189	89	100	121	71	50
	%	%	%	%	%	%
Owning	60	61	56	67	69	56
Leasing	26	24	33	20	20	22
Depends	8	8	8	10	8	16
Not sure/refused	6	7	3	3	3	6

Q.CEO-5; REE-4

Table 2-3

INVESTMENT POTENTIAL VS. OPERATIONAL FACTORS

Q.: In making a real estate decision, do you usually take into consideration the investment potential of a piece of property, or are you primarily concerned with operational factors?

	CEOs	Real Estate Executives
Base	400	201
	%	%
Operational factors	73	73
Investment potential	11	10
Both (vol.)	12	16
Depends (vol.)	1	-
Not sure/refused	3	*

*Less than 0.5%.

Expectations for Expansion of Facilities in Next Twelve Months

Real estate executives report moderate expectations of expansion for both office and manufacturing, warehouse, and distribution facilities in the next year. Over one-third (36%) of all real estate executives expect the total square footage of their office space to be somewhat greater in twelve months than it is today, while a little over half (55%) say it will be about the same. Only 9% say it will be less (Table 2-4).

Over two in five (43%) real estate executives in companies with wholesale, retail, and manufacturing operations expect the square footage of their manufacturing, warehouse, and distribution space to expand, while about the same number (41%) say it will remain the same. Again, only 9% expect it to decrease.

Q.REE-8a, 8b

Table 2-4

EXPECTATIONS FOR TOTAL UNITED STATES SQUARE FOOTAGE IN TWELVE MONTHS

Q.: In twelve months, do you expect your company's total square footage of office space in the U.S. to be much greater than it is today, somewhat greater, about the same, somewhat less, or much less than it is today?

Q.: In twelve months, do you expect your company's total square footage of manufacturing, warehouse, and distribution space in the U.S. to be much greater than it is today, somewhat greater, about the same, somewhat less, or much less than it is today?

	Real Estate Executives
Expect Office Space to Be: (Base: Total)	(201)
	%
Much greater	2
Somewhat greater	34
About the same	55
Somewhat less	8
Much less	1
Not sure/refused	*
Expect Manufacturing, Warehouse, and Distribution Space to Be: (Base: Wholesale, retail, and manufacturing companies)	(121)
	%
Much greater	3
Somewhat greater	40
About the same	41
Somewhat less	7
Much less	2
Not sure/refused	7

*Less than 0.5%.

Plans for Offices

Just over 3 in 10 real estate executives report their organizations plan to lease new office space in the next twelve months (Table 2-5). Not surprisingly given the findings for leasing and owning preferences, larger companies are more likely to lease than smaller ones. Twenty-three percent plan to build new office space, and the findings suggest that larger companies are more likely to do so than smaller ones. About one in five plan to acquire space and renovate it for offices in the next twelve months -- again, the larger companies are more likely to say they plan to do so. And a small 17% say they intend to purchase office space in the next year.

Those who plan to acquire new office space in any of these ways report they envision, above all, branch offices, with head offices mentioned next most often. Smaller numbers of real estate executives mention sales offices and back-office operations or processing facilities.

Those who plan to acquire new space for offices see these facilities located in the New York area, followed by Los Angeles, Chicago, Philadelphia, Atlanta, Hartford, and Tampa/St. Petersburg.

Plans for Industrial Facilities

About the same number of real estate executives at wholesale, retail, and manufacturing companies plan to build (29%) as plan to lease (25%) industrial, warehouse, or distribution space (Table 2-6). At another order of magnitude, the same number plan to renovate space for these purposes (14%) as plan to buy space (14%).

Those who plan to expand their manufacturing, warehouse, or distribution space in any of these ways say the expansion will take the form,

above all, of distribution centers. Mentioned next most often are warehouses, followed by processing plants and assembly plants

More than anywhere else, real estate executives plan to locate these new manufacturing, warehouse and distribution facilities in the Los Angeles area (which ranks second among real estate executives on being expected to improve in the next twelve months). Atlanta, New York, and Dallas/Fort Worth are also mentioned as locations.

Q.REE-5a, 5b, 5d

Table 2-5

SPACE PLANS: OFFICES

Q.: Thinking about all of your office operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

Q.: What sort of office facilities are you planning to create in the new space? (READ IF NECESSARY:) For example, a head office, a branch office, a back-office facility or processing center, or a sales office?

Q.: In which cities or areas are you planning to acquire office space in the next twelve months?

	Real Estate Executives		
	Total	$100-$499 Million	$500 Million And Over
Base	201	100	101
	%	%	%
Plan to:			
Lease new space	31	28	42
Build new space	23	21	29
Acquire space to renovate	21	18	29
Purchase new space	17	16	19
Type of Facilities Planned:			
(Base: Plan to lease, build, purchase, or renovate)	(106)	(45)	(61)
	%	%	%
Branch office	44	44	43
Head office	33	36	26
Sales office	17	18	15
Back-office/processing	10	7	16
Other	8	9	5
Top Locations Planned:			
(Base: Plan to lease, build, purchase, or renovate)	(106)	(45)	(61)
	%	%	%
New York City area	12	11	15
Los Angeles area	9	9	10
Chicago area	7	7	8
Philadelphia area	6	7	3
Atlanta area	5	4	5
Hartford area	5	7	2
Tampa/St. Petersburg area	5	7	2

Q.REE-6a, 6b, 6d

Table 2-6

SPACE PLANS: MANUFACTURING, WAREHOUSE, AND DISTRIBUTION FACILITIES

Base: Wholesale, retail, and manufacturing companies

Q.: Thinking about all of your manufacturing, warehouse, or distribution operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

Q.: What sort of manufacturing, warehouse, or distribution facilities are you planning to create in the new space? (READ IF NECESSARY:) For example, an assembly plant, a processing plant, an extraction plant, a warehouse, or a distribution center?

Q.: In which cities or areas are you planning to acquire manufacturing, warehouse, or distribution space in the next twelve months?

	Real Estate Executives		
	Total	$100-$499 Million	$500 Million And Over
Base	121	71	50
	%	%	%
Plan to:			
Build new space	29	28	30
Lease new space	25	24	30
Acquire space to renovate	14	13	22
Purchase new space	14	11	28
Type of Facilities Planned:			
(Base: Plan to lease, build, purchase, or renovate)	(60)	(33)	(27)
	%	%	%
Distribution center	44	39	59
Warehouse	33	36	22
Processing plant	27	30	15
Assembly plant	21	21	22
Other	4	3	7
Top Locations Planned:			
(Base: Plan to lease, build, purchase, or renovate)	(60)	(33)	(27)
	%	%	%
Los Angeles area	17	15	22
Atlanta area	7	9	-
New York City area	6	3	19
Dallas/Ft. Worth area	5	6	-

3: FACTORS LEADING TO DECISIONS TO ACQUIRE SPACE

Expectations for the Economy

CEOs are moderately pessimistic in their expectations for the economy twelve months from now. Virtually no one anticipates that the rate of inflation, long-term interest rates, or wage rates will be much higher in a year. But 40% predict the inflation rate will be somewhat higher, while well over half -- 57% -- think it will remain about the same as it is now. A 52% majority say long-term interest rates will be somewhat higher in twelve months, 37% say they'll stay about the same, and 10% expect them to come down somewhat. And over half -- 54% -- say wages will be somewhat higher, while 44% predict they'll be about the same (Table 3-1).

Relative Importance of Decision Making Factors

Table 3-2 shows, however, that while economic indicators and national policy do play a role in space decision making for many CEOs, these factors are not nearly as important as the condition of the industry and the company's own expectations for success. A majority of CEOs report that their "company's outlook for profits and losses" and "the market for [their] company's products or services" are "crucial" in their decision making on acquiring new space for the company (both 58%). Considered "crucial" by far fewer CEOs are federal government regulations (22%), interest rates (21%), national tax policy (21%), the rate of inflation (11%), and the value of the dollar (9%).

Q.CEO-1a, 1b, 1c

Table 3-1

EXPECTATIONS FOR THE ECONOMY IN TWELVE MONTHS

Q.: To begin, I'd like to ask you a few questions about the economy and your industry. Twelve months from now, do you expect that the rate of inflation will be much higher, somewhat higher, about the same, somewhat lower, or much lower than it is today?

Q.: Twelve months from now, do you expect that long-term interest rates will be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

Q.: What about wage rates twelve months from now -- do you think they'll be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

	CEOs					
Base: 400	Much Higher %	Somewhat Higher %	About the Same %	Somewhat Lower %	Much Lower %	Not Sure/ Refused %
Rate of inflation	1	40	57	2	-	1
Long-term interest rates	1	52	37	10	*	1
Wage rates	*	54	44	1	-	*

*Less than 0.5%.

Q.CEO-8

Table 3-2

IMPORTANCE OF FACTORS IN SPACE DECISION MAKING

Q.: How important a factor is/are (READ EACH ITEM) in your decision making on acquiring new space for the company -- is this crucial, important but not crucial, not very important, or not at all important? Remember, we're talking about the space your company uses in its day-to-day operations, not real estate acquired for investment purposes.

Base: 400	"Crucial" %	"Crucial" or "Important" But Not "Crucial" %
Your company's outlook for profits and losses	58	93
The market for your company's products or services	58	88
Federal government regulations	22	72
Interest rates	21	79
National tax policy	21	72
The rate of inflation	11	68
The value of the dollar	9	54

Expectations for the Industry and the Company

CEOs' predictions on what market conditions in their industry will be like in twelve months are definitely upbeat, given their expectations on inflation and interest rates. Fully one-third of the CEOs think conditions will improve (35%), while nearly half (48%) believe things will stay about the same. Only 15% predict that conditions in their industry will worsen (Table 3-3). CEOs in companies primarily involved with finance, insurance, or real estate seem more likely than average to feel conditions in their industry will get worse, while those in companies primarily engaged in manufacturing seem less likely than average to feel this way. CEOs in companies primarily engaged in wholesale or retail trade are right on average.

In line with their expectations for the inflation rate, 45% of CEOs predict that price levels in their industry will be higher twelve months from now, 43% expect prices to stay about the same, and 9% predict price levels will come down (Table 3-4). CEOs in finance, insurance, and real estate companies seem somewhat less likely than those in manufacturing and in wholesale or retail companies to predict price levels will rise with inflation.

Turning to the company itself, CEOs are upbeat in their expectations for the company's capital expenditures over the next twelve months (Table 3-5). Half of the CEOs expect capital expenditures to increase, 36% say they'll stay the same, and only 13% predict a decrease.

Forty percent of CEOs in wholesale, retail, and manufacturing companies expect their companies' inventories to increase in the next year, 39% expect them to stay the same, and only 16% anticipate a decline in inventory (Table 3-6).

Forty-five percent of CEOs expect the number of office employees in their organizations to increase in the next twelve months, 43% expect the number

to stay the same, and only 12% expect it to decrease. Similarly, 44% of CEOs in wholesale, retail, and manufacturing companies expect the number of manufacturing, warehouse, and distribution employees to increase, 44% expect it to stay the same, and only 7% anticipate a decrease (Table 3-7).

Observation:

CEOs may be professional optimists, but these leaders of Business America's top organizations are quite upbeat about their own industries' and companies' prospects for the next year, even as their predictions for the economy express a guarded pessimism. Especially telling for the real estate picture are anticipated increases in numbers of employees.

As has been reported, this mood translates into expectations of sizable increases in both office and industrial space.

Q.CEO-1e

Table 3-3

EXPECTATIONS FOR MARKET CONDITIONS IN INDUSTRY IN TWELVE MONTHS

Q.: Twelve months from now, do you think market conditions in your industry will be much better, somewhat better, about the same, somewhat worse, or much worse than they are today?

	CEOs			
	Total	Manufacturing	Wholesale/ Retail	Finance/ Insurance/ Real Estate
Base	400	110	91	105
	%	%	%	%
Much better	3	3	3	3
Somewhat better	32	29	31	34
About the same	48	56	48	39
Somewhat worse	14	9	13	21
Much worse	1	-	2	*
Not sure/refused	2	3	3	1

*Less than 0.5%.

Q.CEO-1d

Table 3-4

EXPECTATIONS FOR PRICE LEVEL IN INDUSTRY IN TWELVE MONTHS

Q.: How about price levels in your industry -- twelve months from now do you predict they'll be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

	CEOs			
	Total	Manufacturing	Wholesale/ Retail	Finance/ Insurance/ Real Estate
Base	400	110	91	105
	%	%	%	%
Much higher	1	1	2	1
Somewhat higher	44	47	50	39
About the same	43	41	38	51
Somewhat lower	8	9	8	5
Much lower	1	1	2	*
Not sure/refused	3	*	1	3

*Less than 0.5%.

Q.CEO-12

Table 3-5

EXPECTATIONS FOR COMPANY'S CAPITAL EXPENDITURES OVER NEXT TWELVE MONTHS

Q.: Over the next twelve months do you expect your company's capital expenditures to increase a great deal, increase somewhat, stay the same as they've been this year, decrease somewhat, or decrease a great deal?

	CEOs
Base	400
	%
Increase a great deal	7
Increase somewhat	43
Stay the same	36
Decrease somewhat	11
Decrease a great deal	2
Not sure/refused	1

Q.CEO-11

Table 3-6

EXPECTATIONS FOR COMPANY'S INVENTORY IN NEXT TWELVE MONTHS

Base: Wholesale, retail, and manufacturing companies

Q.: And what about the level of inventory maintained by your company overall -- do you expect that this will increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal in the next twelve months?

	CEOs
Base	189
	%
Increase a great deal	3
Increase somewhat	37
Stay the same	39
Decrease somewhat	14
Decrease a great deal	2
Not sure/refused	4

Q.CEO-10a, 10b

Table 3-7

EXPECTATIONS FOR NUMBER OF EMPLOYEES OVER NEXT TWELVE MONTHS

Q.: Over the next twelve months, do you expect the number of office employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

Q.: Over the next twelve months, do you expect the number of manufacturing, warehouse, and distribution employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

	CEOs
Expect Number of Office Employees to:	
(Base: Total)	(400)
	%
Increase a great deal	4
Increase somewhat	41
Stay the same	43
Decrease somewhat	11
Decrease a great deal	1
Not sure/refused	-
Expect Number of Manufacturing, Warehouse, and Distribution Employees to:	
(Base: Wholesale, retail, and manufacturing companies)	(189)
	%
Increase a great deal	2
Increase somewhat	42
Stay the same	44
Decrease somewhat	7
Decrease a great deal	*
Not sure/refused	4

*Less than 0.5%.

APPENDIX A: RESEARCH METHOD

How the Survey Was Conducted

From October 8 through 29, 1986, Louis Harris and Associates interviewed 400 chief executive officers or their designees (typically chief financial officers) and 201 senior corporate real estate executives at companies nationwide. Each of these sets of interviews constitutes a representative sample of publicly- and privately-held corporations listed in Dun & Bradstreet, including both service and industrial organizations, with revenues of $100 million or more. Nonprofit organizations, government entities, and for-profit hospitals, schools, and colleges were systematically excluded from the sampling frame.

Within each sample group, size quotas were set so that a nearly equal number of interviews were completed among smaller companies with between $100 million and $499 million in revenues and among larger companies with $500 million and more in revenues. The purpose of this procedure was to ensure a statistically readable base of companies in the upper size category, which represent only one-quarter of the universe of all organizations with $100 million or more in revenues. When the results were tabulated, statistical weights were applied to the data so that the readings for each sample in total (or for segments other than revenue size) are projectable to the universe of all companies meeting the inclusion criteria with at least $100 million in revenues. In short, the Harris firm has created a scale model of Business America that allows meaningful analysis by size of company. The table that follows profiles the samples of CEOs and real estate executives.

Table A-1

PROFILE OF THE SAMPLE

	CEOs	Real Estate Executives
Base	400	201
	%	%
Size by Revenues		
Total $100-$499 million	75	75
$100-249 million	51	59
$250-499 million	24	17
Total $500 million and over	25	25
$500-749 million	7	6
$750 million and over	18	19
Region		
East	29	37
South	27	23
Midwest	25	27
West	18	12
Industry		
Manufacturing	27	36
Wholesale/retail	24	23
Finance/insurance/real estate	26	14

All interviews were conducted by telephone from the Harris firm's central facilities in Manhattan, using a computer-assisted telephone interviewing (CATI) system. Each interview took approximately 15 minutes, on average, to complete.

Following the completion of fieldwork, the results were tabulated by computer using software specially designed for survey research applications.

Sampling Error

The results from any sample survey are subject to sampling error. Sampling error has been defined as the difference between the results obtained from the sample and those that would have been obtained had the entire population been surveyed. For a sample of 400, one can say with 95% certainty that a result of 50% has a statistical precision of plus or minus 5 percentage points. For a sample of 200, the tolerance is plus or minus 7 points.

APPENDIX B: THE QUESTIONNAIRES

LOUIS HARRIS AND ASSOCIATES, INC.
630 Fifth Avenue
New York, New York 10111

/ FOR OFFICE USE ONLY:
/
/ Questionnaire No.:_____
/
/_____5-6-7-8____

Study No. 861023 (CEOs/CFOs)

September 26, 1986

Sample Point No./ / / / / / / / /

Time Started:_____A.M./P.M.

Interviewer:_____ I.D. No.:_____ Date:_____

Respondent's Name: _____

Respondent's Title: _____

Name of Corporation: _____

Address: _____

Area Code: _____Telephone No.: _____

SWITCHBOARD INTRODUCTION:

Hello, I'm _____ calling from Louis Harris and Associates, the national opinion research organization. I'd like to speak with Mr./Ms. _____, please.

RESPONDENT INTRODUCTION:

Hello, I'm _____calling from Louis Harris and Associates, the national opinion research organization. As you know from Mr. Harris's letter, we're conducting a survey called the Business Real Estate Monitor, which will track the opinions of high-level executives like yourself on issues having to do with corporate real estate decisionmaking. Of course neither your name nor the name of your organization will be revealed to the public or even to the survey sponsor. All results will be reported in aggregate statistical form only. Your participation will go a long way towards making the survey a success. We'll be happy to send you a short summary of the results after the survey is completed.

INTERVIEWER: RECORD FROM SAMPLE CARD:

REVENUE SIZE: $ / / / , / / / , / / / ,000
(-)

SIC: / / / / /
(-)

A. Is your organization involved in wholesale, retail, or manufacturing operations, or not?

Involved in wholesale/retail/manufacturing.....((____-1
Not involved in wholesale/retail/manufacturing.....____-2

1a. To begin, I'd like to ask you a few questions about the economy and your industry. Twelve months from now, do you expect that the rate of inflation will be much higher, somewhat higher, about the same, somewhat lower, or much lower than it is today?

Much higher.....((_____-1
Somewhat higher.....____-2
About the same.....____-3
Somewhat lower.....____-4
Much lower.....____-5
Not sure.....____-6

1b. Twelve months from now, do you expect that long-term interest rates will be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

Much higher.....((_____-1
Somewhat higher.....____-2
About the same.....____-3
Somewhat lower.....____-4
Much lower.....____-5
Not sure.....____-6

1c. What about wage rates twelve months from now -- do you think they'll be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

Much higher.....((_____-1
Somewhat higher.....____-2
About the same.....____-3
Somewhat lower.....____-4
Much lower.....____-5
Not sure.....____-6

1d. How about price levels in your industry -- twelve months from now do you predict they'll be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

Much higher.....((_____-1
Somewhat higher.....____-2
About the same.....____-3
Somewhat lower.....____-4
Much lower.....____-5
Not sure.....____-6

1e. Twelve months from now, do you think market conditions in your industry will be much better, somewhat better, about the same, somewhat worse, or much worse than they are today?

Much better.....((_____-1
Somewhat better.....____-2
About the same.....____-3
Somewhat worse.....____-4
Much worse.....____-5
Not sure.....____-6

2a. Now I'd like to discuss some of the factors corporations may consider when deciding where to locate their facilities. In thinking about locations for office facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

ROTATE -- START AT "X"	Absolutely Essential	Important but Not Essential	Not Very Important	Not at All Important	Not Sure
( ) 1. The cost and availability of labor in the area	((-1	-2	-3	-4	-5
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities	((-1	-2	-3	-4	-5
( ) 3. Proximity to markets, customers, or clients	((-1	-2	-3	-4	-5

ASK Q.2b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.3a.

2b. And, in thinking about locations for manufacturing, warehouse, or distribution facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

ROTATE -- START AT "X"	Absolutely Essential	Important but Not Essential	Not Very Important	Not at All Important	Not Sure
( ) 1. The cost and availability of labor in the area	((-1	-2	-3	-4	-5
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities	((-1	-2	-3	-4	-5
( ) 3. Proximity to markets, customers, or clients	((-1	-2	-3	-4	-5
( ) 4. Proximity to raw materials	((-1	-2	-3	-4	-5
( ) 5. The climate state and local government creates for business through tax policy, the extent of regulation, and so forth	((-1	-2	-3	-4	-5
( ) 6. The availability of existing fully-serviced sites	((-1	-2	-3	-4	-5

ASK EVERYONE -- ASK Q.3a-Q.3b IN SEQUENCE FOR EACH ITEM

3a. Now I'd like to ask you about the attractiveness of several specific locations across the country. In terms of general business conditions as they relate to companies such as yours, how would you rate the (READ EACH ITEM) area as a place to locate a business today — excellent, very good, only fair, or poor? RECORD BELOW

3b. And if you had to say, do you think general business conditions there will get better, get worse, or stay about the same in the next twelve months? RECORD BELOW

ROTATE -- START AT "X"	Q.3a Excellent	Very Good	Only Fair	Poor	Not Sure	Q.3b Better	Worse	Same	Not Sure
( ) 1. New York.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 2. Boston.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 3. Chicago.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 4. Washington, D.C.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 5. Atlanta.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 6. St. Louis.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 7. Miami.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 8. Houston.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 9. Dallas.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 10. Seattle.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 11. San Francisco.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 12. Los Angeles.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4

ASK Q.4a FOR EACH ITEM "ABSOLUTELY ESSENTIAL" OR "IMPORTANT" IN Q.2a

4a. I'd like you to continue to keep in mind the twelve specific locations we've been talking about -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, and Los Angeles. Now I'm going to read you a few of the factors for locating office facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for office facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles? MULTIPLE RECORD

ROTATE -- START AT "1"	New York	Boston	Chicago	Washington, D.C.	Atlanta	St. Louis	Miami	Houston	Dallas	Seattle	S.F.	L.A.	Other (SPECIFY):	Not Sure
( ) 1. The cost and availability of labor in the area.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 3. Proximity to markets, customers, or clients.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2

ASK Q.4b FOR EACH ITEM "ABSOLUTELY ESSENTIAL" OR "IMPORTANT" IN Q.2b
ASK Q.4b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.5

4b. Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles? MULTIPLE RECORD

ROTATE -- START AT "1"	New York	Boston	Chicago	Washington, D.C.	Atlanta	St. Louis	Miami	Houston	Dallas	Seattle	S.F.	L.A.	Other (SPECIFY):	Not Sure
( ) 1. The cost and availability of labor in the area.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 3. Proximity to markets, customers, or clients.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 4. Proximity to raw materials.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 5. The climate state and local government creates for business through tax policy, the extent of regulation, and so forth	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2
( ) 6. The availability of existing fully-serviced sites.	( )-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	( )-1	-2

ASK EVERYONE

5. In making a real estate decision, do you usually take into consideration the investment potential of a piece of property, or are you primarily concerned with operational factors?

Investment potential.....((-1
Operational factors..... -2
Both (vol.)..... -3
Depends (vol.)..... -4
Not sure..... -5

6a. Thinking about all of your office operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

DO NOT ROTATE LIST	Plan	Don't Plan	Not Sure
1. Lease new space.....	((-1	-2	-3
2. Purchase new space.....	((-1	-2	-3
3. Build new space.....	((-1	-2	-3
4. Acquire space and renovate it for a new purpose.....	((-1	-2	-3

6b. And, if you had to say, which do you prefer for office space -- leasing or owning?

Leasing.....((-1
Owning..... -2
Depends (vol.).... -3
Not sure..... -4

ASK Q.7a IF WHOLESALE, RETAIL OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.8

7a. Thinking about all of your manufacturing, warehouse, or distribution operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

DO NOT ROTATE LIST	Plan	Don't Plan	Not Sure
( ) 1. Lease new space.....	((-1	-2	-3
( ) 2. Purchase new space.....	((-1	-2	-3
( ) 3. Build new space.....	((-1	-2	-3
( ) 4. Acquire space and renovate it for a new purpose.....	((-1	-2	-3

7b. And, if you had to say, which do you prefer for manufacturing, warehouse, or distribution space -- leasing or owning?

Leasing.....((-1
Owning..... -2
Depends (vol.)..... -3
Not sure..... -4

ASK EVERYONE

8. How important a factor is/are (READ EACH ITEM) in your decisionmaking on acquiring new space for the company -- is this crucial, important but not crucial, not very important, or not at all important? Remember, we're talking about the space your company uses in its day-to-day operations, not real estate acquired for investment purposes.

ROTATE -- START AT "X"	Crucial	Important but Not Crucial	Not Very Important	Not at All Important	Not Sure
( ) 1. The rate of inflation.....	((____-1	____-2	____-3	____-4	____-5
( ) 2. Interest rates.....	((____-1	____-2	____-3	____-4	____-5
( ) 3. The value of the dollar.....	((____-1	____-2	____-3	____-4	____-5
( ) 4. National tax policy.....	((____-1	____-2	____-3	____-4	____-5
( ) 5. Federal government regulation..	((____-1	____-2	____-3	____-4	____-5
( ) 6. Your company's outlook for profits or losses.....	((____-1	____-2	____-3	____-4	____-5
( ) 7. The market for your company's products or services.....	((____-1	____-2	____-3	____-4	____-5

9. In the next twelve months, do you think the expansion of your company's electronic data processing and data retrieval capabilities will increase your space needs a great deal, increase them somewhat, not change them one way or the other, reduce them somewhat, or reduce your space needs a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Not change one way or the other.....____-3
Reduce somewhat.....____-4
Reduce a great deal.....____-5
Don't expect data processing capabilities to expand (vol.).....____-6
Not sure.....____-7

10a. Over the next twelve months, do you expect the number of office employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

ASK Q.10b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.12

10b. Over the next twelve months, do you expect the number of manufacturing, warehouse, and distribution employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

11. And what about the level of inventory maintained by your company overall -- do you expect that this will increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal in the next twelve months?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

ASK EVERYONE

12. Over the next twelve months, do you expect your company's capital expenditures to increase a great deal, increase somewhat, stay the same as they've been this year, decrease somewhat, or decrease a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

That concludes the interview. Thank you very much for your participation!

TIME ENDED:_____A.M./P.M.

LOUIS HARRIS AND ASSOCIATES, INC.
630 Fifth Avenue
New York, New York 10111

FOR OFFICE USE ONLY:

Questionnaire No.:_____

5-6-7-8

Study No. 861023 (Real Estate Executives)

September 26, 1986

Sample Point No./ / / / / / / / /

Time Started:_____A.M./P.M.

Interviewer:___ _____ I.D. No.:_____ Date:_____

Respondent's Name: _____

Respondent's Title: _____

Name of Corporation: _____

Address: _____

Area Code: _____Telephone No.: _____

SWITCHBOARD INTRODUCTION:

Hello, I'm _____ calling from Louis Harris and Associates, the national opinion research organization. I'd like to speak with Mr./Ms. _____, please.

RESPONDENT INTRODUCTION:

Hello, I'm _____calling from Louis Harris and Associates, the national opinion research organization. As you know from Mr. Harris's letter, we're conducting a survey called the Business Real Estate Monitor, which will track the opinions of high-level executives like yourself on issues having to do with corporate real estate decision-making. Of course neither your name nor the name of your organization will be revealed to the public or even to the survey sponsor. All results will be reported in aggregate statistical form only. Your participation will go a long way towards making the survey a success. We'll be happy to send you a short summary of the results after the survey is completed.

INTERVIEWER: RECORD FROM SAMPLE CARD:

REVENUE SIZE: $ / / / , / / / , / / / ,000
(-)

SIC: / / / / /
(-)

A. Is your organization involved in wholesale, retail, or manufacturing operations, or not?

Involved in wholesale/retail/manufacturing....((____-1
Not involved in wholesale/retail/manufacturing....____-2

1a. To begin with I'd like to discuss some of the factors corporations may consider when deciding where to locate their facilities. In thinking about locations for office facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

ROTATE -- START AT "X"	Absolutely Essential	Important but Not Essential	Not Very Important	Not at all Important	Not Sure
( ) 1. The cost and availability of labor in the area.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 3. Proximity to markets, customers, or clients.....	(__(____-1	____-2	____-3	____-4	____-5

ASK Q.1b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.2a.

1b. And, in thinking about locations for manufacturing, warehouse, or distribution facilities, how important to companies such as yours is (READ EACH ITEM) -- absolutely essential, important but not essential, not very important, or not at all important?

ROTATE -- START AT "X"	Absolutely Essential	Important but Not Essential	Not Very Important	Not at all Important	Not Sure
( ) 1. The cost and availability of labor in the area.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 3. Proximity to markets, customers, or clients.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 4. Proximity to raw materials.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 5. The climate state and local government creates for business through tax policy, the extent of regulation, and so forth.....	(__(____-1	____-2	____-3	____-4	____-5
( ) 6. The availability of existing fully-serviced sites.....	(__(____-1	____-2	____-3	____-4	____-5

ASK EVERYONE -- ASK Q.2a-Q.2b IN SEQUENCE FOR EACH ITEM

2a. Now I'd like to ask you about the attractiveness of several specific locations across the country. In terms of general business conditions as they relate to companies such as yours, how would you rate the (READ EACH ITEM) area as a place to locate a business today -- excellent, very good, only fair, or poor? RECORD BELOW

2b. And if you had to say, do you think general business conditions there will get better, get worse, or stay abut the same in the next twelve months? RECORD BELOW

ROTATE -- START AT "X"	Q.2a Excellent	Very Good	Only Fair	Poor	Not Sure	Q.2b Better	Worse	Same	Not Sure
( ) 1. New York.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 2. Boston.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 3. Chicago.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 4. Washington, D.C.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 5. Atlanta.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 6. St. Louis.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 7. Miami...	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 8. Houston.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 9. Dallas.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 10. Seattle.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 11. San Francisco.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4
( ) 12. Los Angeles.....	((-1	-2	-3	-4	-5	((-1	-2	-3	-4

ASK Q.3a FOR EACH ITEM "ABSOLUTELY ESSENTIAL" OR "IMPORTANT" IN Q.1a

3a. I'd like you to continue to keep in mind the twelve specific locations we've been talking about -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, and Los Angeles. Now I'm going to read you a few of the factors for locating office facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for office facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles? MULTIPLE RECORD

ROTATE -- START AT "X"	New York	Boston	Chicago	Washington, D.C.	Atlanta	St. Louis	Miami	Houston	Dallas	Seattle	S.F.	L.A.	Other (SPECIFY):	Not Sure
( ) 1. The cost and availability of labor in the area.	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 3. Proximity to markets, customers, or clients.....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2

ASK Q.3b FOR EACH ITEM "ABSOLUTELY ESSENTIAL" OR "IMPORTANT" IN Q.1b
ASK Q.3b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.4a

3b. Now I'm going to read you a few of the factors for locating manufacturing, warehouse, or distribution facilities we were discussing earlier. Please tell me which two or three of the locations you feel are best on each factor for these kinds of facilities. I'll be glad to reread the list of locations any time you need me to. Which two or three specific locations are most appealing in terms of (READ ITEM) -- New York, Boston, Chicago, Washington, D.C., Atlanta, St. Louis, Miami, Houston, Dallas, Seattle, San Francisco, or Los Angeles? MULTIPLE RECORD

ROTATE -- START AT "X"	New York	Boston	Chicago	Washington, D.C.	Atlanta	St. Louis	Miami	Houston	Dallas	Seattle	S.F.	L.A.	Other (SPECIFY):	Not Sure
( ) 1. The cost and availability of labor in the area.	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 2. The quality of life for employees, such as the availability of housing, transportation, and recreational facilities.....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 3. Proximity to markets, customers, or clients.....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 4. Proximity to raw materials.....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 5. The climate state and local government creates for business through tax policy, the extent of regulation, and so forth	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2
( ) 6. The availability of existing fully-serviced sites....	(-1	-2	-3	-4	-5	-6	-7	-8	-9	-0	-x	-y	(-1	-2

ASK EVERYONE

4. In making a real estate decision, do you usually take into consideration the investment potential of a piece of property, or are you primarily concerned with operational factors?

Investment potential.....((____-1
Operational factors.....____-2
Both (vol.).....____-3
Depends.....____-4
Not sure.....____-5

5a. Thinking about all of your office operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

DO NOT ROTATE LIST	Plan	Don't Plan	Not Sure
( ) 1. Lease new space	((____-1	____-2	____-3
( ) 2. Purchase new space	((____-1	____-2	____-3
( ) 3. Build new space	((____-1	____-2	____-3
( ) 4. Acquire space and renovate it for a new purpose	((____-1	____-2	____-3

ASK Q.5b IF "PLAN" FOR ANY ITEM IN Q.5a -- SKIP OTHERS TO Q.5f.

5b. What sort of office facilities are you planning to create in the new space? (READ IF NECESSARY:) For example, a head office, a branch office, a back-office facility or processing center, or a sales office? MULTIPLE RECORD BELOW

ASK Q.5c IF MORE THAN ONE RESPONSE TO Q.5b -- SKIP OTHERS TO Q.5d

5c. And which of those types of office facilities will receive the largest square footage of new space in the next twelve months? SINGLE RECORD BELOW

	Q.5b	Q.5c
Head office	((____-1	((____-1
Branch office	____-2	____-2
Back-office/processing	____-3	____-3
Sales office	____-4	____-4
Other (SPECIFY):		
_____	____-5	____-5
Not sure	____-6	____-6

ASK EVERYONE

5d. In which cities or areas are you planning to acquire office space in the next twelve months? DO NOT READ LIST -- MULTIPLE RECORD

Allentown/Bethlehem/Lehigh Valley (PA)....((____-1
Atlanta and suburbs (GA)....____-2
Austin (TX)....____-3
Baltimore (MD)....____-4
Boston/Lawrence/Salem (MA)....____-5
Buffalo/Niagara Falls (NY)....____-6
Charlotte (NC)....____-7
Chicago/Gary/Lake County/suburbs (IL/IN/WI)....____-8
Cincinnati/Hamilton (OH/KY/IN)....____-9
Cleveland/Akron/Lorain (OH)....____-0
Columbus (OH)....((____-1
Dallas/Ft. Worth (TX)....____-2
Denver/Boulder (CO)....____-3
Detroit/Ann Arbor/Southfield (MI)....____-4
Greensboro/Winston-Salem (NC)....____-5
Hartford/New Haven (CT)....____-6
Houston/Galveston/Brazoria (TX)....____-7
Indianapolis (IN)....____-8
Jacksonville (FL)....____-9
Kansas City (MO/KS)....____-0
Los Angeles/Anaheim/Riverside/San Fernando/
  Orange County/Newport Beach (CA)....((____-1
Louisville (KY)....____-2
Memphis (TN)....____-3
Miami/Ft. Lauderdale/Boca Reton (FL)....____-4
Milwaukee/Racine (WI)....____-5
Minneapolis/St. Paul (MN)....____-6
Nashville (TN)....____-7
New Orleans (LA)....____-8
New York City
  New York City (NY)....____-9
  Westchester County (NY)....____-0
  Long Island (NY)....((____-1
  Northern New Jersey/Parsippany/Lyndhurst (NJ)....____-2
  Southern Connecticut/Stamford (CT)....____-3
Orlando, (FL)....____-4
Philadelphia
  Philadelphia (PA)....____-5
  South Jersey (NJ)....____-6
Phoenix (AZ)....____-7
Pittsburgh/Beaver Valley (PA)....____-8
Portland/Vancouver (OR/WA)....____-9
Princeton (NJ)....____-0
Raleigh/Durham (NC)....((____-1
St. Louis/East St. Louis/Alton (MO/IL)....____-2
San Antonio (TX)....____-3
San Diego (CA)....____-4
San Francisco/Oakland/San Jose/ San Mateo County/
  Contra Costa County (CA)....____-5
Seattle/Tacoma/Bellevue (WA)....____-6
Tampa/St. Petersburg (FL)....____-7
Washington D. C. and suburbs (DC)....____-8
Other (SPECIFY):

_____....____-9
Not sure....____-0

5e. Thinking about the locations where you plan to acquire office space in the next twelve months, during that time do you expect the cost per square foot of real estate in those places to rise a great deal, rise somewhat, stay about the same, go down somewhat, or go down a great deal?

Rise a great deal....((-1
Rise somewhat.....-2
Stay about the same.....-3
Go down somewhat.....-4
Go down a great deal.....-5
Not sure.....-6

5f. All in all, if you had to say, which do you prefer for office space -- leasing or owning?

Leasing.....((-1
Owning.....-2
Depends (vol.)....-3
Not sure.....-4

ASK Q. 6a IF WHOLESALE, RETAIL, MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.7.

6a. Thinking about all of your manufacturing, warehouse, or distribution operations in the United States, in the next twelve months do you plan to (READ EACH ITEM), or not?

DO NOT ROTATE LIST		Plan	Don't Plan	Not Sure
( ) 1.	Lease new space	((-1	-2	-3
( ) 2.	Purchase new space	((-1	-2	-3
( ) 3.	Build new space	((-1	-2	-3
( ) 4.	Acquire space and renovate it for a new purpose	((-1	-2	-3

ASK Q.6b IF "PLAN" FOR ANY ITEM IN Q.6a -- SKIP OTHERS TO Q.6f.

6b. What sort of manufacturing, warehouse, or distribution facilities are you planning to create in the new space? (READ IF NECESSARY:) For example, an assembly plant, a processing plant, an extraction plant, a warehouse, or a distribution center?
MULTIPLE RECORD BELOW

ASK Q.6c IF MORE THAN ONE RESPONSE TO Q.6b -- SKIP OTHERS TO Q.6d

6c. And which of those types of manufacturing, warehouse, or distribution facilities will receive the largest square footage of new space in the next twelve months?
SINGLE RECORD BELOW

	Q.6b	Q.6c
Assembly plant	((-1	((-1
Processing plant	-2	-2
Extraction plant	-3	-3
Warehouse	-5	-5
Distribution Center	-4	-4
Other (SPECIFY): _____	-6	-6
Not sure	-7	-7

6d. In which cities or areas are you planning to acquire manufacturing, warehouse, or distribution space in the next twelve months? DO NOT READ LIST -- MULTIPLE RECORD

Allentown/Bethlehem/Lehigh Valley (PA)..... ((____ -1
Atlanta and suburbs (GA)..... ____ -2
Austin (TX)..... ____ -3
Baltimore (MD)..... ____ -4
Boston/Lawrence/Salem (MA)..... ____ -5
Buffalo/Niagara Falls (NY)..... ____ -6
Charlotte (NC)..... ____ -7
Chicago/Gary/Lake County/suburbs (IL/IN/WI)..... ____ -8
Cincinnati/Hamilton (OH/KY/IN)..... ____ -9
Cleveland/Akron/Lorain (OH)..... ____ -0
Columbus (OH)..... ((____ -1
Dallas/Ft. Worth (TX)..... ____ -2
Denver/Boulder (CO)..... ____ -3
Detroit/Ann Arbor/Southfield (MI)..... ____ -4
Greensboro/Winston-Salem (NC)..... ____ -5
Hartford/New Haven (CT)..... ____ -6
Houston/Galveston/Brazoria (TX)..... ____ -7
Indianapolis (IN)..... ____ -8
Jacksonville (FL)..... ____ -9
Kansas City (MO/KS)..... ____ -0
Los Angeles/Anaheim/Riverside/San Fernando/
Orange County/Newport Beach (CA)..... ((____ -1
Louisville (KY)..... ____ -2
Memphis (TN)..... ____ -3
Miami/Ft. Lauderdale/Boca Raton (FL)..... ____ -4
Milwaukee/Racine (WI)..... ____ -5
Minneapolis/St. Paul (MN)..... ____ -6
Nashville (TN)..... ____ -7
New Orleans (LA)..... ____ -8
New York City
New York City (NY)..... ____ -9
Westchester County (NY)..... ____ -0
Long Island (NY)..... ((____ -1
Northern New Jersey/Parsippany/Lyndhurst (NJ)..... ____ -2
Southern Connecticut/Stamford (CT)..... ____ -3
Orlando, (FL)..... ____ -4
Philadelphia
Philadelphia (PA)..... ____ -5
South Jersey (NJ)..... ____ -6
Phoenix (AZ)..... ____ -7
Pittsburgh/Beaver Valley (PA)..... ____ -8
Portland/Vancouver (OR/WA)..... ____ -9
Princeton (NJ)..... ____ -0
Raleigh/Durham (NC)..... ((____ -1
St. Louis/East St. Louis/Alton (MO/IL)..... ____ -2
San Antonio (TX)..... ____ -3
San Diego (CA)..... ____ -4
San Francisco/Oakland/San Jose/ San Mateo County/
Contra Costa County (CA)..... ____ -5
Seattle/Tacoma/Bellevue (WA)..... ____ -6
Tampa/St. Petersburg (FL)..... ____ -7
Washington D. C. and suburbs (DC)..... ____ -8
Other (SPECIFY):

_____ ____ -9
Not sure..... ____ -0

6e. Thinking about the locations where you plan to acquire manufacturing, warehouse, or distribution space in the next twelve months, during that time do you expect the cost per square foot of real estate in those places to rise a great deal, rise somewhat, stay about the same, go down somewhat, or go down a great deal?

Rise a great deal....((____-1
Rise somewhat.....____-2
Stay about the same.....____-3
Go down somewhat.....____-4
Go down a great deal.....____-5
Not sure.....____-6

6f. All in all, if you had to say, which do you prefer for manufacturing, warehouse, or distribution space -- leasing or owning?

Leasing.....((____-1
Owning.....____-2
Depends (vol.).....____-3
Not sure..... ____-4

ASK EVERYONE

7. In the next twelve months, do you think the expansion of your company's electronic data processing and data retrieval capabilities will increase your space needs a great deal, increase them somewhat, not change them one way or the other, reduce them somewhat, or reduce your space needs a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Not change one way or the other.....____-3
Reduce somewhat.....____-4
Reduce a great deal.....____-5
Don't expect DP capabilities to expand (vol.)....____-6
Not sure.....____-7

8a. In twelve months, do you expect your company's total square footage of office space in the U.S. to be much greater than it is today, somewhat greater, about the same, somewhat less, or much less than it is today?

Much greater.....((____-1
Somewhat greater.....____-2
About the same.....____-3
Somewhat less.....____-4
Much less.....____-5
Not sure.....____-6

ASK Q.8b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.9.

8b. In twelve months, do you expect your company's total square footage of manufacturing, warehouse, and distribution space in the U.S. to be much greater than it is today, somewhat greater, about the same, somewhat less, or much less than it is today?

Much greater.....((____-1
Somewhat greater.....____-2
About the same.....____-3
Somewhat less.....____-4
Much less.....____-5
Not sure.....____-6

ASK EVERYONE

9a. Over the next twelve months, do you expect the number of office employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

ASK Q.9b IF WHOLESALE, RETAIL, OR MANUFACTURING COMPANY ON FACE SHEET -- SKIP OTHERS TO Q.11

9b. Over the next twelve months, do you expect the number of manufacturing, warehouse, and distribution employees working for your company overall to increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

10. And what about the level of inventory maintained by your company overall -- do you expect that this will increase a great deal, increase somewhat, stay the same, decrease somewhat, or decrease a great deal in the next twelve months?

Increase a great deal.....((____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

ASK EVERYONE

11. Over the next twelve months, do you expect your company's capital expenditures to increase a great deal, increase somewhat, stay the same as they've been this year, decrease somewhat, or decrease a great deal?

Increase a great deal.....(__(____-1
Increase somewhat.....____-2
Stay the same.....____-3
Decrease somewhat.....____-4
Decrease a great deal.....____-5
Not sure.....____-6

12. Twelve months from now, do you expect that long-term interest rates will be much higher, somewhat higher, about the same, somewhat lower, or much lower than they are today?

Much higher.....(__(____-1
Somewhat higher.....____-2
About the same.....____-3
Somewhat lower.....____-4
Much lower.....____-5
Not sure.....____-6

13. I'd like to ask you one final question of a more general nature. Thinking about your company's overall strategic planning, how much of a role do decisions about the location and type of the company's physical facilities play -- does top management as a whole consider these issues very important, somewhat important, not very important, or not at all important?

Very important.....(__(____-1
Somewhat important.....____-2
Not very important.....____-3
Not at all important.....____-4
Not sure.....____-5

That concludes the interview. Thank you very much for your participation!

TIME ENDED:_____A.M./P.M.

Offices

Headquarters

1166 Avenue of the Americas
New York, New York 10036

California

Contra Costa County
Los Angeles
Los Angeles North
(San Fernando/Ventura County)
Los Angeles South Bay
Los Angeles West
Newport Beach/Irvine
Oakland
Ontario
Orange
San Francisco
San Francisco Peninsula
(San Mateo County)
San Jose

Colorado

Denver

Connecticut

Hartford
New Haven
Stamford

District of Columbia

Washington
Washington (Suburban)

Florida

Boca Raton
Jacksonville
Miami
Orlando
St. Petersburg
Tampa Bay
West Palm Beach

Georgia

Atlanta
Atlanta (Suburban)

Illinois

Chicago
Chicago (Suburban)

Kentucky

Louisville

Massachusetts

Boston

Michigan

Southfield

New Jersey

Lyndhurst
Parsippany
Princeton

New York

Long Island
New York (Downtown)
New York (Midtown)

North Carolina

Charlotte
Greensboro/Winston Salem
Raleigh/Durham

Oregon

Portland

Pennsylvania

Lehigh Valley
Philadelphia
Pittsburgh

Tennessee

Memphis
Nashville

Texas

Austin
Dallas
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Virginia

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Bellevue
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